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SUBJECT: POPULAR GOVERNOR LEAVES THE PSUV, JOINS ALLIED PPT

REF: 10 CARACAS 189

CLASSIFIED BY: Rolf Olson, Acting Political Counselor, DOS, POL;
REASON: 1.4(B), (D)

11. (C) Summary: The second-most popular political figure within the Chavista movement, Governor of Lara State Henri Falcon, announced February 22 in an open letter that he was leaving the United Socialist Party of Venezuela (PSUV) for the allied Fatherland For All (PPT) party. Falcon alleged that the PSUV had been undermined by favoritism and a "poorly-understood concept of loyalty," and said that for years he had sought unsuccessfully to engage in a "frank dialogue without intermediaries" with Chavez. On February 23, PSUV leaders excoriated Falcon and announced the party had frozen relations with the PPT, asserting that they had "joined the counterrevolutionary movement." President Chavez has not yet commented publicly. End Summary.

12. (C) Falcon enjoys over 90 percent approval ratings in Lara State, and has been widely praised for his talents as an effective administrator and a business-friendly Chavista "lite" who has been open to dialogue. He was briefly expelled from the PSUV in 2008 after announcing his candidacy for the Lara gubernatorial seat without first seeking Chavez's blessing - a decision that was quickly reversed after Chavez realized that Falcon could win on his own merits, without PSUV support. After serving two terms as mayor of Lara's capital, Barquisimeto (2000-08), Falcon won the 2008 governorship by 58 points - easily the widest margin of any gubernatorial candidate. (See Reftel A for more reporting on Falcon.)

FALCON BOWS OUT OF THE PSUV

13. (SBU) Falcon's letter, which was addressed to Chavez and published in several newspapers, began by lamenting the lack of a "frank dialogue without intermediaries" with the President for several years running, and claimed that there was no other means express to his concerns. After affirming his "complete commitment" to the 1999 Bolivarian Constitution, Falcon extolled his leftist

credentials, asserting: "I have not changed." He suggested that "the relationship between the head of state and governors and mayors cannot be limited to the emission of instructions or orders, without even a minimal opportunity to discuss [our] points of view." He added that it was "impossible to construct a participative democracy" if elected officials "are deprived of the chance to be heard." He also called for "inclusion without exclusion and national reconciliation." Falcon criticized the PSUV as "undermined by bureaucracy, favoritism, the absence of discussion, and a poorly-understood concept of loyalty." He went on to petition the PPT for membership and "encourage broader participation of all sectors in overcoming old and new evils that afflict us as a nation." In a February 23 press conference, Falcon reiterated the need for local elected officials to have an "effective and concrete" dialogue with Chavez. He noted that "friends understand each other's differences" and pledged that "nobody is failing to recognize the national leadership of the President of the Republic."

14. (SBU) Falcon's announcement comes soon after Chavez made several attacks against Falcon's tenure as governor. In early February, Chavez had threatened to intercede in the Lara police if Falcon failed to tamp down student protests against the closure of Radio Caracas TV (RCTV). Rather than crack down on the protesters, Falcon held a meeting with the leaders to listen to their complaints. On February 19, Chavez threatened Polar Industries, which are based in the Lara capital of Barquisimeto, with expropriation on the grounds that the company's delivery vehicle

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lot should be used to build low-income housing instead. Falcon responded by noting that Polar facilities were located in two industrial zones in the city, along with 180 other legally-constituted businesses, and thus should continue operating.

PPT, PCV: FALCON IS NOT A TRAITOR

15. (C) On February 22, PPT Secretary General Jose Alborno announced that he was "surprised" by Falcon's decision, but that the party had agreed during a hastily convened meeting to accept Falcon into its ranks. (Comment: Alborno told Polcouns on February 4 that Falcon had approached him privately about joining the PPT. Alborno's feigned ignorance was likely an effort to create political cover for PPT, so as not to appear as conspiring against the PSUV.) On February 23, Alborno echoed Falcon's complaint about the lack of space for dialogue within Chavismo, and contended that Falcon's decision should not be regarded as "treason" because he had joined an allied party, and not the opposition. He added that PPT hoped to join the PSUV under a single unity electoral front for the September 2010 National Assembly elections, but admitted there was a "Plan B" that consisted of "looking for alliances with other factors."

16. (SBU) Venezuelan Communist Party (PCV) spokesman Pedro Eusse said February 22 that Falcon's resignation showed the necessity for dialogue among the different factions that support Chavez. He argued that Falcon "had not abandoned the revolutionary struggle," and that an individual's change in party affiliation within the allied movement (PSUV, PPT, PCV) "did not make the governor a traitor." Eusse further pledged that the PCV membership continued to support the PSUV and should not be designated "counterrevolutionaries."

OPPOSITION: WATCH OUT, HENRI

17. (SBU) Accion Democratica (AD) leader Henry Ramos Allup asserted February 22 that Falcon's decision did not represent a new faction within Chavismo. He said that "I do not see Henri Falcon heading Chavismo without Chavez because if he was, he would have said so expressly. What he did was to change rooms within the same house." Allup noted that "it will be worthwhile to see if [Falcon] is well-treated by Chavez," noting that "there is no boss except Chavez, there is no dissent, no discrepancies, no distinct visions of the same [revolutionary] project." He added that Falcon was trying to choose "a type of political asexuality that does not exist in Chavismo."

PSUV DRAWS ITS SWORDS

18. (SBU) Due to Chavez's attendance at the Cancun Summit February
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21-23, the PSUV's initial response was limited to party Vice President Jorge Rodriguez's February 22 comment that "we are not going to resolve party affairs by communicating through the media." On February 23, however, multiple PSUV leaders unleashed a hail of insults and allegations at Falcon and the PPT. National Assembly (AN) President Cilia Flores assailed Falcon as a "weakling" who "for a long time had not been a team player," and who had cut deals with the private sector to enrich himself: "Falcon switched from popular power to Polar power." Flores asserted that the PSUV had "frozen relations" with the PPT, to confirm whether the PPT "is dedicated to Falcon's vision, because his is a counterrevolutionary vision that seeks to attack the leader of the revolution." Guarico state Governor William Lara derided Falcon's assertions that there was no room for internal debate within the PSUV, and that Falcon had intentionally passed up opportunities to have the type of discussion with Chavez that he claimed to be seeking.

19. (SBU) PSUV loyalists in Lara state were even more aggressive, with state legislator Luis Jonas Reyes - son of GBRV Health Minister Luis Reyes Reyes - addressing Falcon with "Henry the Fascist, you are no Socialist." Pledging loyalty to Chavez, Jonas Reyes applauded Falcon's departure, stating "We do not recognize Chavismo without Chavez, therefore we believe today the party has been purified." Fellow state legislator Julio Chavez affirmed that of 45 PSUV mayors and other elected officials in Lara, only five had left the party along with Falcon. He further accused Falcon of having participated in "treason" as far back as the April 2002 coup against Chavez. As of the afternoon of February 24, Chavez still had not responded publicly.

COMMENT

¶10. (C) News of Falcon's announcement on February 22 was juxtaposed with coverage of Chavez's broadside the previous day against the potential opposition candidates for the September AN elections, whom he referred to as "assassins, rapists, robbers, muggers, paramilitaries, and fugitives from justice." Falcon's non-confrontational style and savvy choice of words in his letter - "diversity," "dialogue," "participation," "inclusion," and the sentence "I adhere to the thesis that the ills of democracy are only cured by justice and more democracy" - threaten Chavez because they call to mind images of what Chavez is not: a leader who can reconcile competing national visions.

¶11. (C) Falcon's stature as the most popular Chavista leader apart from Chavez is confirmed by Falcon's approval ratings in Lara and a few neighboring states, which far surpass those of the President. Falcon's potential command over a sizable electorate puts Chavez in a difficult position. If he brooks this disobedience, Chavez risks appearing weak and losing other disaffected Chavistas, who may judge that they can remain credible "revolutionaries" without necessarily staying in the party (and under Chavez's thumb). However, cracking down on Falcon - either by punishing the PPT or going after the governor personally, or both - could cause a public backlash among Falcon's supporters, jeopardizing PSUV support in the key populations in and around Lara State just three months before the PSUV is slated to hold national party primaries.

DUDDY